



8011-01p
SECURITIES AND EXCHANGE COMMISSION

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Proposed Collection; Comment Request

Upon Written Request, Copies Available From:
Securities and Exchange Commission
Office of FOIA Services
100 F Street, NE
Washington, DC 20549-2736

Extension: Rule 12d2-1

Notice is hereby given that pursuant to the Paperwork Reduction Act of 1995 (“PRA”) (44 U.S.C. 3501 et seq.), the Securities and Exchange Commission (“Commission”) is soliciting comments on the existing collection of information provided for in Rule 12d2-1(17 CFR 240.12d2-1) under the Securities Exchange Act of 1934 (15 U.S.C. 78b et seq.) (“Act”). The Commission plans to submit this existing collection of information to the Office of Management and Budget (“OMB”) for extension and approval.

On February 12, 1935, the Commission adopted Rule 12d2-1¹(“ Suspension of Trading”) to establish the procedures by which a national securities exchange may suspend from trading a security that is listed and registered on the exchange under Section 12(d) of the Act.² Under Rule 12d2-1, an exchange is permitted to suspend from trading a listed security in accordance with its rules, and must promptly notify the Commission of any such suspension, along with the effective date and the reasons for the suspension.

Any such suspension may be continued until such time as the Commission may determine that the suspension is designed to evade the provisions of Section 12(d) of the Act and Rule 12d2-2 thereunder.³ During the continuance of such suspension under Rule 12d2-1, the exchange is required to

¹ See Securities Exchange Act Release No. 98 (February 12, 1935).

² See Securities Exchange Act Release No. 7011 (February 5, 1963), 28 FR 1506 (February 16, 1963).

³ Rule 12d2-2 prescribes the circumstances under which a security may be delisted from an exchange and withdrawn from registration under Section 12(b) of the Act, and provides the

notify the Commission promptly of any change in the reasons for the suspension. Upon the restoration to trading of any security suspended under Rule 12d2-1, the exchange must notify the Commission promptly of the effective date of such restoration.

The trading suspension notices serve a number of purposes. First, they inform the Commission that an exchange has suspended from trading a listed security or reintroduced trading in a previously suspended security. They also provide the Commission with information necessary for it to determine that the suspension has been accomplished in accordance with the rules of the exchange, and to verify that the exchange has not evaded the requirements of Section 12(d) of the Act and Rule 12d2-2 thereunder by improperly employing a trading suspension. Without Rule 12d2-1, the Commission would be unable to fully implement these statutory responsibilities.

There are 24 national securities exchanges⁴ that are subject to Rule 12d2-1. The burden of complying with Rule 12d2-1 is not evenly distributed among the exchanges, however, since there are many more securities listed on the New York Stock Exchange, Inc., the NASDAQ Stock Market, and NYSE American LLC than on the other exchanges.⁵ There are approximately 878 responses⁶ under Rule 12d2-1 for the purpose of suspension of trading from the national securities exchanges each year, and the resultant aggregate annual reporting hour burden would be, assuming on average one-half reporting hour per response, 439 annual burden hours for all exchanges. The related internal compliance costs associated with these burden hours are \$98,354 per year.

Written comments are invited on: (a) whether the proposed collection of information is necessary for the proper performance of the functions of the Commission, including whether the information will have practical utility; (b) the accuracy of the agency's estimate of the burden of the collection of

procedures for taking such action.

⁴ The Exchanges are BOX Exchange LLC, Cboe BYX Exchange, Inc., Cboe BZX Exchange, Inc., Cboe C2 Exchange, Inc., Cboe EDGA Exchange, Inc., Cboe EDGX Exchange, Inc., Cboe Exchange, Inc., Investors Exchange LLC, Long Term Stock Exchange, Inc., MEMX, LLC, Miami International Securities Exchange, MIAX Emerald, LLC, MIAX PEARL, LLC, Nasdaq BX, Inc., Nasdaq GEMX, LLC, Nasdaq ISE, LLC, Nasdaq MRX, LLC, Nasdaq PHLX LLC, The Nasdaq Stock Market, New York Stock Exchange LLC, NYSE Arca, Inc., NYSE Chicago, Inc., NYSE American LLC, NYSE National, Inc.

⁵ In fact, some exchanges do not file any trading suspension reports in a given year.

⁶ The 878 figure was calculated by averaging the numbers for compliance in 2019 and 2020, which are 822 and 933, respectively.

information; (c) ways to enhance the quality, utility, and clarity of the information collected; and (d) ways to minimize the burden of the collection of information on respondents, including through the use of automated collection techniques or other forms of information technology. Consideration will be given to comments and suggestions submitted in writing within 60 days of this publication.

An agency may not conduct or sponsor, and a person is not required to respond to, a collection of information under the PRA unless it displays a currently valid OMB control number.

Please direct your written comments to: David Bottom, Director/Chief Information Officer, Securities and Exchange Commission, c/o Cynthia Roscoe, 100 F Street, NE Washington, DC 20549, or send an e-mail to: PRA_Mailbox@sec.gov.

Dated: July 28, 2021.

J. Matthew DeLesDernier,
Assistant Secretary.

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